

What Drives the Trade Purchaser's Decision to Purchase a Specific Wine?

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Abstract

Trade purchasers, who decide which wines will be sold at retail outlets, have significant purchasing power and influence on the wine industry. Research has shown that consumers perceive the region where wine is produced to have an impact on wine quality (Johnson and Bruwer, 2007). Additional research indicates that wines from different regions generate different market prices (Schamel and Anderson, 2003). How does region influence trade purchasers? This research examines the attitudes of trade wine purchasers regarding drivers of purchase decisions, their familiarity with California growing regions, how often wine region influences their purchase decisions, and their wine quality perceptions based on region. Differences based on business type and location were examined.

A November 2014 survey used a database of 1,785 email addresses and had a response rate of 8.5%. Respondents were from 29 states, with the most responses from Florida (24%) and California (22%). A quarter of responses were retail-only buyers, half were from on-premise businesses, and another quarter were from wine bars (8% of which were also wine shops).

Respondents were asked to rate the desirability of eight wine features. Features indicated as very desirable were *premium quality product* and *grapes are from a respected wine grape growing region*. The characteristics *from a well known AVA*, *sustainably produced*, *cool climate grapes*, and *produced in California* were rated somewhat to very desirable. Somewhat desirable features were *high Wine Spectator rating* and *high Robert Parker rating*.

When choosing a wine, 44% choose based on production location always or very often and 88% make the decision based on location at least somewhat often. This is similar to 83% of respondents indicating that *well known region* is extremely or very desirable.

Respondents from the Midwest and the East rated both *grapes are from a respected wine grape growing region* and *from a well known AVA* higher than California respondents did. Wine bars rated *sustainably produced* and *produced from cool climate grapes* as more desirable than retail outlets did. Respondents were very familiar with California regions examined, with Napa and Sonoma rating most familiar and highest quality.

This research shows that trade decision makers use growing region to decide which wines to purchase. Therefore, it is important for wine regions to allocate resources toward trade education concerning characteristics of their growing region and its quality.

Keywords: AVA, retail, trade purchasers, wine bars, wine region

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